



First Union Rail Corporation
NC5811
Commercial Leasing Group
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018
Tel 847 318-7575
847 318-7588

VIA UPS 2nd DAY AIR

December 13, 2002



Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

RECORDATION NO 24251 FILED

DEC 19 '02 9-32 AM

Re: Memorandum of Lease Agreement

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated October 25, 2002, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Union Pacific Railroad Company
1416 Dodge Street
Omaha, NE 68179

A description of the railroad equipment covered by the enclosed document is up to two hundred and seventy (270) 5150/5250 cubic foot covered hopper cars, with FURX and NDYX marks (see Exhibit A for numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Amy Carone
Manager of Documentation

Enclosures

(UP085)

ASSGN. NO. UPO85

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 25th day of October, 2002, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Union Pacific Railroad Company ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of April 1, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 10 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of October 1, 2002, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K. A. Dombrowski
Name: K A DOMBROWSKI
Title: DIRECTOR OF DOCUMENTATION

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 25th day of Oct, 2002.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 25th day of October, 2002.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



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SURFACE TRANSPORTATION BOARD

LESSEE:

UNION PACIFIC RAILROAD COMPANY

By: Nicholas E. Krjicek

Name: Nicholas E. Krjicek

Title: Manager Purchasing-Leasing

ATTEST:

By: John Freeman

Name: John Freeman

Title: SR. ASST. BUEN

Executed on this 10th day of October, 2002.

[CORPORATE SEAL]

STATE OF Nebraska

COUNTY OF Douglas

I, Sheryl L. Alvey, a Notary Public of the County and State aforesaid, certify that Nicholas E. Krjicek personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 14th day of October, 2002.

Sheryl L. Alvey
Notary Public

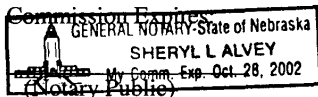


EXHIBIT A to MEMORANDUM OF LEASE

NUMBER OF UNITS: Up to two hundred seventy (270)

DESCRIPTION OF UNITS: 5150 and 5250 cu. ft., 1996-built, 100-ton, 286 grl, Covered Hopper Units

UNIT NUMBERS AND MARKS: See list below:

FURX 840123	NDYX 515843	NDYX 515914	NDYX 515960	NDYX 516014	NDYX 516072
FURX 843590	NDYX 515844	NDYX 515915	NDYX 515961	NDYX 516015	NDYX 516073
FURX 850066	NDYX 515845	NDYX 515916	NDYX 515962	NDYX 516016	NDYX 516075
NDYX 515800	NDYX 515846	NDYX 515917	NDYX 515964	NDYX 516017	NDYX 516076
NDYX 515801	NDYX 515847	NDYX 515918	NDYX 515965	NDYX 516018	NDYX 516078
NDYX 515802	NDYX 515848	NDYX 515919	NDYX 515966	NDYX 516019	NDYX 516079
NDYX 515803	NDYX 515849	NDYX 515920	NDYX 515967	NDYX 516021	NDYX 516082
NDYX 515804	NDYX 515850	NDYX 515921	NDYX 515968	NDYX 516022	NDYX 516083
NDYX 515805	NDYX 515851	NDYX 515922	NDYX 515969	NDYX 516023	NDYX 516084
NDYX 515806	NDYX 515852	NDYX 515923	NDYX 515970	NDYX 516024	NDYX 516085
NDYX 515807	NDYX 515853	NDYX 515924	NDYX 515971	NDYX 516025	NDYX 516086
NDYX 515808	NDYX 515854	NDYX 515925	NDYX 515972	NDYX 516026	NDYX 516088
NDYX 515809	NDYX 515855	NDYX 515926	NDYX 515974	NDYX 516027	NDYX 516089
NDYX 515810	NDYX 515856	NDYX 515927	NDYX 515975	NDYX 516028	NDYX 516090
NDYX 515811	NDYX 515857	NDYX 515928	NDYX 515976	NDYX 516029	NDYX 516092
NDYX 515812	NDYX 515858	NDYX 515929	NDYX 515977	NDYX 516032	NDYX 516093
NDYX 515813	NDYX 515859	NDYX 515930	NDYX 515978	NDYX 516035	NDYX 516094
NDYX 515814	NDYX 515860	NDYX 515931	NDYX 515979	NDYX 516036	NDYX 516095
NDYX 515815	NDYX 515861	NDYX 515932	NDYX 515980	NDYX 516037	NDYX 516096
NDYX 515816	NDYX 515862	NDYX 515933	NDYX 515981	NDYX 516038	NDYX 516097
NDYX 515817	NDYX 515863	NDYX 515934	NDYX 515982	NDYX 516039	NDYX 516098
NDYX 515818	NDYX 515864	NDYX 515935	NDYX 515984	NDYX 516040	NDYX 516099
NDYX 515819	NDYX 515865	NDYX 515936	NDYX 515985	NDYX 516041	NDYX 516100
NDYX 515820	NDYX 515866	NDYX 515937	NDYX 515986	NDYX 516042	NDYX 516101
NDYX 515821	NDYX 515867	NDYX 515938	NDYX 515988	NDYX 516043	NDYX 516102
NDYX 515822	NDYX 515868	NDYX 515939	NDYX 515989	NDYX 516045	NDYX 516103
NDYX 515823	NDYX 515869	NDYX 515940	NDYX 515990	NDYX 516047	NDYX 516104
NDYX 515824	NDYX 515870	NDYX 515941	NDYX 515991	NDYX 516048	NDYX 516106
NDYX 515825	NDYX 515871	NDYX 515942	NDYX 515992	NDYX 516049	NDYX 516108
NDYX 515826	NDYX 515872	NDYX 515943	NDYX 515994	NDYX 516050	NDYX 516110
NDYX 515827	NDYX 515873	NDYX 515944	NDYX 515995	NDYX 516051	NDYX 516111
NDYX 515828	NDYX 515874	NDYX 515945	NDYX 515997	NDYX 516053	NDYX 516114
NDYX 515829	NDYX 515900	NDYX 515946	NDYX 515999	NDYX 516055	NDYX 516116
NDYX 515830	NDYX 515901	NDYX 515947	NDYX 516000	NDYX 516056	NDYX 516117
NDYX 515831	NDYX 515902	NDYX 515948	NDYX 516001	NDYX 516057	NDYX 516118
NDYX 515832	NDYX 515903	NDYX 515949	NDYX 516002	NDYX 516058	NDYX 516119
NDYX 515833	NDYX 515904	NDYX 515950	NDYX 516003	NDYX 516059	NDYX 516121
NDYX 515834	NDYX 515905	NDYX 515951	NDYX 516004	NDYX 516060	NDYX 516122
NDYX 515835	NDYX 515906	NDYX 515952	NDYX 516005	NDYX 516062	NDYX 516123
NDYX 515836	NDYX 515907	NDYX 515953	NDYX 516006	NDYX 516064	NDYX 516124
NDYX 515837	NDYX 515908	NDYX 515954	NDYX 516007	NDYX 516065	Count: 270
NDYX 515838	NDYX 515909	NDYX 515955	NDYX 516008	NDYX 516066	
NDYX 515839	NDYX 515910	NDYX 515956	NDYX 516009	NDYX 516067	
NDYX 515840	NDYX 515911	NDYX 515957	NDYX 516010	NDYX 516068	
NDYX 515841	NDYX 515912	NDYX 515958	NDYX 516012	NDYX 516069	
NDYX 515842	NDYX 515913	NDYX 515959	NDYX 516013	NDYX 516070	